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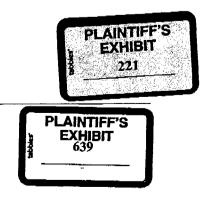**Granada Research**

Using the UNSPSC

United Nations Standard Products and Services Code

White Paper

Why Coding and Classifying Products is Critical to Success in
Electronic Commerce

September 1998, updated October 2001

Granada Research

GRANADA RESEARCH

PRODUCT CLASSIFICATION USING THE UNPSC

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and eliminate irrelevant hits) and it allows managers to perform expenditure analysis on categories that are relevant to the company's situation.

Each level contains a two-character numerical value and a textual description as follows:

XX Segment

The logical aggregation of families for analytical purposes

XX Family

A commonly recognized group of inter-related commodity categories

XX   Class

A group of commodities sharing a common use or function

XX   Commodity

A group of substitutable products or services

XX   Business Function

The function performed by an organization in support of the commodity

UNSPSC Examples

In the UNSPSC classification, products and services are placed within logical categories so that people can more easily find what they are looking for and evaluate expenditures on commonly grouped items.

For example, the commodity "pen refills" is part of a larger class of products, "Ink and lead refills", which in turn is part of a family of products, "Office supplies," which is itself part of a segment of products, "Office equipment, accessories, and supplies." Each level of the hierarchy has its own unique number.